

111TH CONGRESS  
1ST SESSION

# S. 852

To apply an alternative payment amount under the Medicare program for certain graduate medical education programs established to train residents displaced by natural disasters.

---

IN THE SENATE OF THE UNITED STATES

APRIL 22, 2009

Mr. VITTER (for himself and Ms. LANDRIEU) introduced the following bill;  
which was read twice and referred to the Committee on Finance

---

## A BILL

To apply an alternative payment amount under the Medicare program for certain graduate medical education programs established to train residents displaced by natural disasters.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. ALTERNATIVE PAYMENT AMOUNTS FOR GRAD-**  
4                       **UATE MEDICAL EDUCATION PROGRAMS ES-**  
5                       **TABLISHED TO TRAIN RESIDENTS DIS-**  
6                       **PLACED BY NATURAL DISASTERS.**

7       (a) IN GENERAL.—Notwithstanding any other provi-  
8       sion of law, in applying section 1886(h) of the Social Secu-

1 rity Act (42 U.S.C. 1395ww(h)), and any regulations im-  
 2 plementing such section, with respect to an eligible hos-  
 3 pital for a cost reporting period beginning on or after July  
 4 1, 2005, the Secretary of Health and Human Services  
 5 shall provide for payments for direct graduate education  
 6 costs in accordance with subsection (c) for such hospital  
 7 and cost reporting period.

8 (b) ELIGIBLE HOSPITAL DEFINED.—In this section,  
 9 the term “eligible hospital” means a hospital that—

10 (1) did not have an approved medical residency  
 11 training program as defined under section  
 12 1886(h)(5)(A) of the Social Security Act (42 U.S.C.  
 13 1395ww(h)(5)(A)) before the date of a presidential  
 14 declaration of major disaster issued under section  
 15 401 of the Robert T. Stafford Disaster Relief and  
 16 Emergency Assistance Act;

17 (2) first participated in such a program to edu-  
 18 cate residents displaced from a graduate medical  
 19 education program impacted by such disaster; and

20 (3) is located in a wage area, as defined by the  
 21 Secretary, that is in, or immediately adjacent to, an  
 22 area for which such disaster was declared.

23 (c) PAYMENT TO ELIGIBLE HOSPITALS.—The pay-  
 24 ment amount for an eligible hospital for a cost reporting  
 25 period in which the hospital operates a graduate medical

1 education program referred to in subsection (b)(2) shall  
2 be—

3 (1) for the first such cost reporting period, the  
4 reasonable costs (as determined based on rules ap-  
5 plied in determining reasonable costs under section  
6 1886(h)(2)(A) of the Social Security Act (42 U.S.C.  
7 1395ww(h)(2)(A))) incurred by the hospital for such  
8 program;

9 (2) for the second such cost reporting period,  
10 computed based on an alternative FTE resident  
11 amount calculated as described in section  
12 1886(h)(2)(A) of the Social Security Act (42 U.S.C.  
13 1395ww(h)(2)(A)), but using the reasonable costs  
14 incurred by the hospital for such program during  
15 such second cost reporting period and the number of  
16 FTE residents (as described in paragraphs  
17 (3)(B)(ii) and (4)(E) of section 1886(h) of the So-  
18 cial Security Act (42 U.S.C. 1395ww(h))) in the  
19 program for such second cost reporting period; and

20 (3) for the third such cost reporting period and  
21 each subsequent cost reporting period, computed  
22 based on the alternative FTE resident amount under  
23 this section for the previous cost reporting period,  
24 updated and adjusted as described in section

- 1        1886(h)(2)(D) of the Social Security Act (42 U.S.C.
- 2        1395ww(h)(2)(D)).

